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TET CEASE-FIRE PERIODS			
Tet Holiday—6-8 February			
		Saigon Time	Washington Time
● COMMUNIST			
	Begins	5/0700	4/1800
	Ends	9/0700	8/1800
● ALLIED			
	Begins	5/1800	5/0500
	Ends	6/1800	6/0500

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South Vietnam: There will probably be some minor actions during the Communists' four-day Tet cease-fire, but larger attacks are not expected until after the holidays.

[redacted] Communist units have been instructed to observe the truce, which began today. [redacted]

[redacted] As in most past Communist military truce periods, some localized incidents are likely as enemy units react to allied reconnaissance patrols and as some Communist local units fail to get the official word from their higher commands.

The South Vietnamese Government has announced a 24-hour cease-fire that will be observed by all allied forces. This cease-fire also began today. Many allied units are being kept on alert in case of enemy attacks. Some isolated terrorist incidents may be staged in Saigon. The city's police chief, however, has expressed confidence in an interview in the Saigon Post that recent government civil and military actions have "broken the back" of the Communist structure in the capital.

It does appear, however, that the Communists will launch another spurt of offensive actions following Tet. [redacted]

[redacted] the Communists have divided their Tet offensive into pre-Tet and post-Tet phases. The first phase, consisting of widespread shellings, took place during 31 January - 2 February. The post-Tet phase, which could begin on 8 or 9 February, is expected to involve increased use of sapper and infantry units against allied positions and pacification targets. (Chart) [redacted]

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South Vietnam: President Thieu has ordered a military tribunal to proceed with the prosecution of two Lower House deputies accused of having contacts with the Communists.

Thieu decided to act after receiving official word from the Lower House that three fourths of the deputies had finally signed a government-sponsored petition calling for the lifting of the parliamentary immunity of the two men. He apparently believes the petition does not give him authority to arrest the men, but does believe it allows him to try them in absentia. A similar petition against a third deputy, who is now in exile in France, has not received the necessary number of signatures.

Thieu's success in persuading such a large number of Lower House members to sign the petition came only after considerable arm-twisting, and does not suggest any substantial improvement in executive-legislative relations. His initiation of legal action against the deputies at this point may in fact place new strains on his relations with the National Assembly. An opposition group believes the prosecution will be illegal and plans to ask the Supreme Court for a ruling. The Supreme Court in the past has been reluctant to take a clear-cut stand on legislative-executive disputes.

Thieu apparently decided to bring the two deputies to trial, despite the questionable constitutionality of his action, because he has staked considerable personal prestige on this case. His strong stand against "Communist sympathizers" in the Assembly probably is also intended as a warning to those who would develop a "Third Force" that might eventually compromise with the Communists. He probably realizes that it would still be difficult to get enough votes to lift the deputies' immunity. Nevertheless, if the legislators are convicted in absentia, Thieu may then go back to the House in an attempt to get such a vote so that they can be arrested.

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Philippines: Further student demonstrations are likely despite President Marcos' public concession on several student demands.

Marcos has made a gesture toward meeting student demands for nonpartisan election of a constitutional convention by announcing that his Nacionalista Party will not put up candidates. The majority of students, however, are not likely to accept at face value his statement to the press that he will not seek a third term even if the constitution is altered to permit him to do so.

Marcos continues to try to obscure the thrust of the student demonstrations with charges of a Communist plot or a Huk attempt on his life. Although a small group of pro-Communist students probably helped to fan the bloody rioting outside the presidential palace last week, the disorders were certainly not a Communist effort to overthrow the government.

Some elite Philippine families appear willing to go along with the charges of a Communist plot for their own reasons, even though they see Marcos' third-term desires as a threat to their own political ambitions. These families undoubtedly believe they will be able to undercut Marcos at a later date. Meanwhile, they and Marcos have been unwilling to make the reforms that would ameliorate student dissatisfaction with the oligarchy's political and economic stranglehold.

The Philippine Congress has now begun what will probably be a vindictive investigation into the riots.

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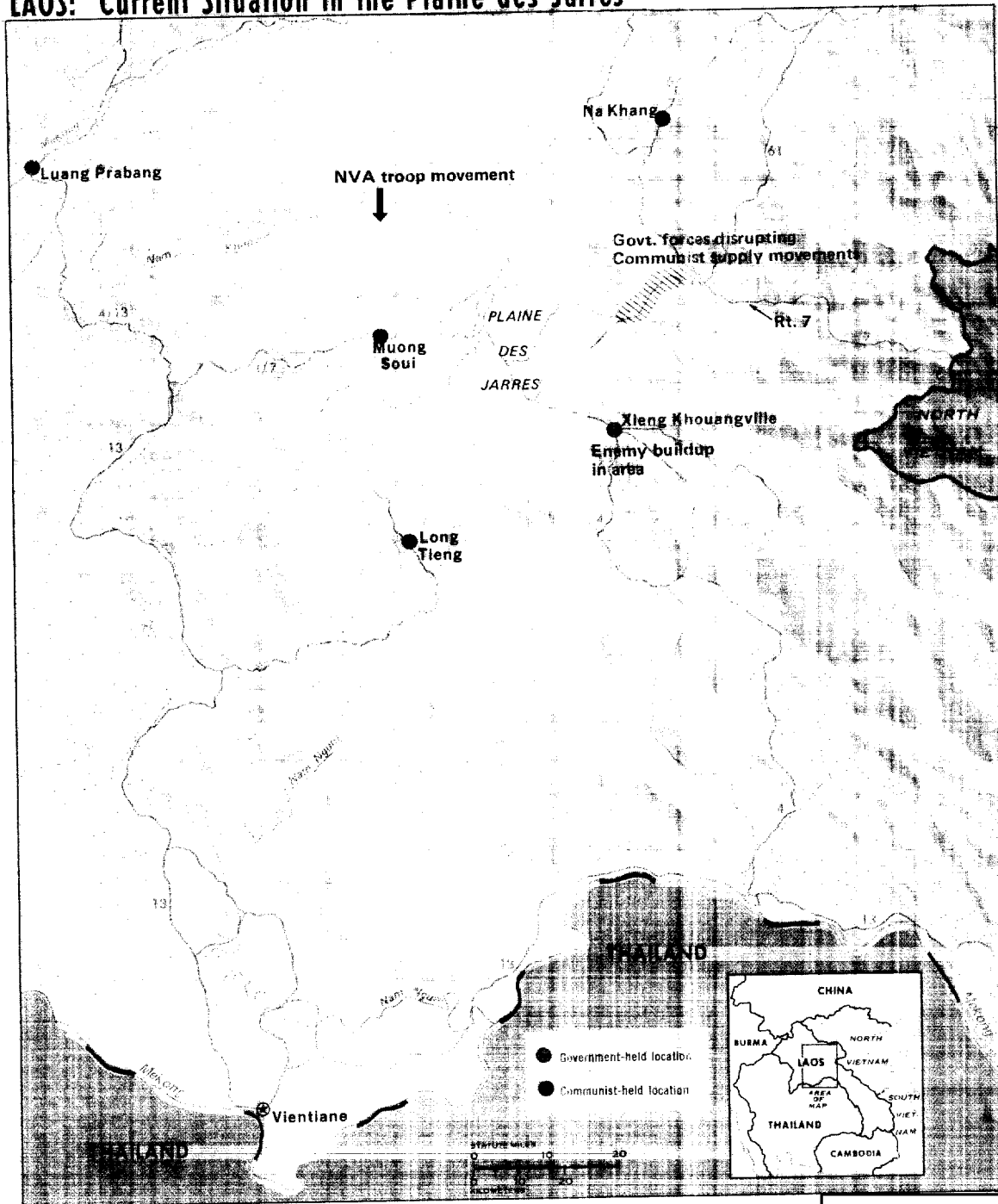
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LAOS: Current Situation in the Plaine des Jarres



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Laos: Prime Minister Souvanna's public proposal to "neutralize" the Plaine des Jarres may affect both the scope and timing of Communist military moves in the north.

[REDACTED]

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[REDACTED] Hanoi is interested in sounding out the Lao Government rather than rejecting the initiative out of hand. By holding open the possibility of further discussions on the proposal, however, Hanoi may only be hoping to gain a temporary respite from heavy air strikes and to give its forces more time to improve their position.

Meanwhile, the military situation remains relatively quiet near the Plaine des Jarres, but it could heat up with little notice. In recent days government patrols have reported sizable numbers of enemy troops moving southeast of the Plaine.

The Communists are aware of General Vang Pao's sensitivity to troop movements that could pose a threat to his headquarters area at Long Tieng. They also know that many thousand Meo refugees are assembled there. The Communists may hope to force Vang Pao to pull back some troops that have been disrupting Communist supply movements along Route 7 since late August.

Government patrols also have sighted North Vietnamese battalions moving toward the Plaine from a point some 20 miles to the northwest.

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[REDACTED]

Hanoi may be holding back the start of its offensive against the Plaine until all of its forces

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are in position and can move on several fronts simultaneously. This would help to explain the Communists' reluctance to take greater advantage of their overwhelming numerical superiority to clear some of the government's more isolated and lightly defended outposts near the Plaine. [REDACTED] [REDACTED]
(Map)

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USSR: Soviet consumers added a record six billion rubles to their savings accounts last year, a reflection of the rise in income that continues to outpace the supply of consumer goods.

Savings deposits rose by 18.5 percent in 1969, following annual increases of 20 percent during the previous three years. Total personal savings in state bank accounts now equal almost one fourth of the annual money income of the population.

The large increase in savings was achieved despite a slowdown in the growth of wages. In 1969 total earnings of wage and salary workers rose by about 7.5 percent, the smallest percentage increase since 1964. Money earned by collective farmers grew by less than four percent last year, half the amount called for in the plan and the lowest rate of increase since 1963.

Last year was not a banner one for the Soviet consumer, mainly because of the poor performance of the agricultural sector. The output of meat and certain food products failed to increase, and the production of a number of consumer durables grew at a slower pace. The gap between income and the supply of goods and services reduces the incentive effect of wage and bonus increases.

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European Communities: The EC probably will agree to a compromise on the French proposal to limit the budgetary powers of the European Parliament. The Dutch, and possibly the Italians, still object to any change in the financing agreement that gives the Parliament final say on the EC's budget from 1975 on. Chancellor Brandt has said, however, that West Germany will not oppose the French on this question. With the Germans and French apparently in agreement and the EC members trying to play down the controversy, it is likely that the issue will be settled, possibly at the current Council meeting.



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Pakistan: The government appears to be adopting a harsher policy toward the student, labor, and political agitators who are generating disorders in both East and West Pakistan. The resignation of West Pakistan Governor Nur Khan, announced last weekend, was possibly triggered by President Yahya Khan's dissatisfaction with Nur's handling of the recent rioting between native Sindhis and refugees in West Pakistan. Nur's successor, Lieutenant General Attigur Rahman, has reportedly been instructed to crack down on troublemakers, and some have already been arrested. Yahya has publicly warned that he will not tolerate violence during the campaign for the elections in October. He may now be yielding to pressure from the military and civilian establishments to make good on his warning. [REDACTED]

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Trinidad-Tobago - Cuba: A Trinidadian agricultural mission will visit Cuba early this month. This is the first time a Latin or Caribbean nation other than Mexico has sent an official mission to Cuba in recent years and follows the visit of a Cuban technical team to Port-of-Spain last December. Trinidad's Prime Minister Williams recently urged consideration of closer ties with Havana. At Tuesday's meeting of the Inter-American Economic and Social Council he called for an end to the economic boycott of Cuba and a resumption of trade. He also believes that increasing ties with Cuba is a more realistic policy for Latin America in general. Castro, for his part, has shown a growing interest in expanding contacts with the Caribbean countries. [REDACTED]

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NATIONAL INTELLIGENCE ESTIMATES

The United States Intelligence Board on 3 and 4 February 1970 approved the following national intelligence estimates:

NIE 29.2-70	"Turkey Over the Next Five Years" 	25X1
SNIE 84-70	"Panama: The Torrijos Regime and the Canal Issue" 	25X1

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